

political situation confronting the Austrian and Bavarian Socialist Parties and to discuss the future economic relations between Austria and Eavaria.

- A formal agraement between the two parties was concluded, with Deutsch signing for the Austrians. The instrument will be submitted to the other members of the board of the Austrian Socialist Farty, who had given full powers to Doutsch. The agreement is a statement of policy.
 - Both parties declare themselves opposed to an Anschluss of Austria with Gormany or with any part of Gormany. They promise to defeat any plan to include Baveria in a reactionary bloc of countries, 25X1A Comment: This is simed at the so-called Catholic bloca)
 - E. It has been agreed that the borders between Austria and Bavaria shall remain in status muo, since it is felt that the traditional friendly relations between the two countries are more important than minor territorial changes,
 - o. Noth parties agree to the internationalization of a customs-free road sorross the nack of the Berchtesgaden salient. This is the shortest route between Salaburg and the Tyrol provinces. It was agreed that a state treaty, concluded at the earliest possible opportunity, betysen Bayarin and Austria should establish this.
 - d. Both parties promised to exert their influence toward settling the elestric power controversy and toward bringing about a mutual agree. ment between the two governments.
 - s. Both parties will strive to bring about the re-establishment of normal trade relations at the earliest possible moment. As long as free trade is impossible, barter transactions will be promoted. Both parties will request their respective governments to initiate the necessary action to secure the approval of the Allied occupation powers.
 - fo It was declared that the independence of the Socialist parties is the sine our non of democratic reconstruction and in the best interest of

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urban and rural workers. Comment: These general terms represent a rutual promise to refrain from a coalition with the Communist Parties.)

- 3. The document closes with a "proud" reminder of the two parties' past common struggles and a solemn declaration that, as part of the international labor movement, both parties will continue their comradeship.
- 4. In the annex, the parties agreed to exchange newspapers and printed material, to organize the shipments of Socialist literature from Vienna and Salzburg to Bavaria, and to maintain close liaison between the parties. It was also agreed that the foregoing pact would be published only by mutual consent.

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